

RD AN No. 3549 (2006-M)  
May 24, 2000

TO: State Directors  
Rural Development

ATTN: Program Managers for Community Programs, Water and Environmental  
Programs, and Business Programs

FROM: James C. Kearney (*Signed by James C. Kearney*)  
Administrator  
Rural Housing Service

Dayton J. Watkins (*Signed by Dayton J. Watkins*)  
Administrator  
Rural Business-Cooperative Service

Christopher A. McLean (*Signed by Blaine D. Stockton*) for  
Administrator  
Rural Utilities Service

SUBJECT: Rural Development Semiannual Status Reports

**PURPOSE/INTENDED OUTCOME:**

The purpose of this Administrative Notice (AN) is to correct an Office of Inspector General (OIG) audit finding and improve the accuracy of the Rural Development consolidated financial statement through timely semiannual status reporting for guaranteed loans.

**COMPARISON WITH PREVIOUS AN:**

No previous AN has been issued on this subject.

**IMPLEMENTATION RESPONSIBILITIES:**

According to the recent OIG audit (Audit No. 85401-001-FM), the accuracy of the Rural Development consolidated financial statement could not be determined due to the excessive

EXPIRATION DATE:  
May 31, 2001

FILING INSTRUCTIONS:  
Preceding RD Instruction 2006-M

number of Community Programs (CP), Business Programs (BP), and Water and Environmental Programs (WEP) guaranteed loans that did not have current semiannual status reports.

Guaranteed lenders are required to provide Rural Development with a current semiannual status report in accordance with their lender's agreement and Agency regulations. Rural Development servicing offices must monitor receipt of the status reports and enter information from these reports into the Guaranteed Loan System (GLS) promptly upon receipt.

If a status report is not received within 30 days after June 30 or December 31, the responsible servicing official must contact the lender to ensure prompt reporting as required by the lender's agreement. In those instances where the status report is not received within 60 days, the servicing official must contact the lender and provide assistance to complete the required status report.

The servicing official must verify that current information is entered into the GLS prior to September 30 and March 31 of each year to ensure compliance with the congressional mandate for accurate reporting of financial information to Congress.

For questions concerning this AN, you may contact Dan Spieldenner, Senior Loan Specialist, Community Programs, (202) 720-9700; Concepcion Malazo, Senior Loan Specialist, Business Programs, (202) 690-3810; or Linda Scott, Senior Loan Specialist, WEP, (202) 720-9639.